GOVERNMENT OF INDIA
COMMERCE AND INDUSTRY
LOK SABHA

UNSTARRED QUESTION NO:57
ANSWERED ON:17.02.2009
DEMAND FOR COFFEE IN OTHER COUNTRIES
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Will the Minister of COMMERCE AND INDUSTRY be pleased to state:

(a) whether coffee grown in the tribal areas of Visakhapatnam has tremendous demand abroad since the area has been declared as an organic zone;

(b) if so, the quantity and value of coffee exported from the area during each of the last three years and the current year, country-wise, brand-wise;

(c) whether the Government proposes to expand the cultivable area of coffee to 60,000 acres in the 11th Plan;

(d) if so, the details thereof, State-wise; and

(e) the steps being taken by the Government to help the tribals growing coffee and to promote its export including help from the Integrated Tribal Development Agency in this regard?

Answer

THE MINISTER OF STATE IN THE MINISTRY OF COMMERCE AND INDUSTRY(SHRI JAIRAM RAMESH)

(a)&(b) Around 50 MT of certified organic coffee was exported from Andhra Pradesh by a Non-Governmental Organisation, against a total production of about 4900 MT from that State. In general, though there is increasing demand for certified organic coffee in the global market, not all certified coffees command premiums, and it is the quality of coffee which is the main basis for the premiums commanded by the organic coffees. Thus, the demand for coffee grown in the tribal areas of Visakhapatnam is quality based, rather than it merely being an organic version.

(c)&(d) During the XI Plan period, it is proposed to expand coffee area by 16000 Ha (40000 Acres) in Andhra Pradesh and 1100 Ha (2750 acres) in Orissa by providing financial support @ Rs. 10000 per Ha. Similar support is also being provided for phasing out disease susceptible 'Cauvery' variety, for which a target of 5100 Ha (12750 acres) is fixed for the XI Plan period.

Support is also being extended for expanding coffee cultivation in the North Eastern States (Assam, Meghalaya, Mizoram, Nagaland and Tripura) by 850 Ha (2125 acres) by providing financial support @Rs. 20,000/- per Ha and consolidation of 1000 Ha (2500 acre) by providing supports @ Rs. 15000 per Ha.

(e) With an objective to maximize export earnings by enhancing the market share of coffee produced in India, a number of activities have been envisaged for the XI Plan, for the coffee export community in the country, including the tribal coffee growers in Andhra Pradesh, Orissa and North Eastern Region. Besides extending financial incentives to exporters to export value added coffees as Indian brands, the activities include participation in trade fairs, organising Buyer-Seller meets & visits of delegations, organising export awards, as well as taking up brand promotion activities in key overseas markets.

During the XI Plan, market support for coffee produced in the States, including in Andhra Pradesh (for which a sum of Rs. 75 lakhs has been earmarked during XI Plan period), is being provided. The Coffee Board of India is extending financial support towards operating cost in terms of procurement, transport, processing and warehousing of coffee.